

# FISCAL NOTE

**Bill #:** HB0235

**Title:** Enhance hunter management laws--PL/PW recommendations

**Primary Sponsor:** Lange, M

**Status:** As Introduced

Sponsor signature

Date

David Ewer, Budget Director

Date

## Fiscal Summary

	<b><u>FY 2006 Difference</u></b>	<b><u>FY 2007 Difference</u></b>
<b>Expenditures:</b>		
State Special Revenue	(\$13,683)	\$746,232
<b>Revenue:</b>		
State Special Revenue	\$0	\$746,232
<b>Net Impact on General Fund Balance:</b>	\$0	\$0

☐ Significant Local Gov. Impact

☐ Technical Concerns

☐ Included in the Executive Budget

☐ Significant Long-Term Impacts

☐ Dedicated Revenue Form Attached

☒ Needs to be included in HB 2

## Fiscal Analysis

### ASSUMPTIONS:

#### Super License:

1. The FWP Commission will set aside one license each year for deer, elk, moose, sheep, and goat to be available to residents and nonresidents through a lottery drawing.
2. There will be an equal chance of participation by residents and nonresidents.
3. Applicants for these licenses will pay \$5 per chance in the drawing. The number of chances one person can purchase is unlimited.
4. To be eligible to apply for these licenses, the applicant must purchase a conservation license.
5. Successful applicants are limited to 1 license per species. The license will be valid statewide during the regular hunting season.
6. Our best representation of potential participation assumes that 50% of all applicants for special permits/licenses for each species will apply for an average of 2 chances at \$5/chance. Using LY2003 data, the following number of chances will be sold:
  - Deer permits–  $15,493 \times 50\% \times 2 \times \$5 = \$77,465$
  - Elk permits –  $61,490 \times 50\% \times 2 \times \$5 = \$307,450$
  - Moose licenses –  $22,745 \times 50\% \times 2 \times \$5 = \$113,725$

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- Goat licenses –  $10,312 \times 50\% \times 2 \times \$5 = \$51,560$
  - Sheep licenses –  $17,845 \times 50\% \times 2 \times \$5 = \$89,225$
7. 75% of unsuccessful Nonresident Big Game Combo applicants will purchase 2 chances @ \$5/chance.
- Unsuccessful NRBG –  $14,241 \times 75\% \times 2 \times \$5 = \$106,807$
8. **Total proceeds of \$746,232** from the lottery drawing will be earmarked for hunting access programs.
9. This part of the bill is effective on passage. After completing the FWP Commission rule making process, the first drawing will occur in August 2006. Therefore, no revenue will be collected during FY 2006.
10. To implement this lottery drawing, we estimate 6 part-time temporary employees at \$10/hour for 8 weeks to be hired in May 2006 ( $6 \times 320 \text{ hours} \times \$10 = \mathbf{\$19,200}$ ). Annual printing costs for applications will be approximately **\$2,600**.

### Cooperator May Designate Family Member for Complimentary License:

11. A cooperator is defined as a private landowner with whom the department enters into an agreement for the purposes of allowing hunting access on a block management area. (ARM 12.4.203(6))
12. No change to current license sales will occur as a result of complimentary licenses designations.
13. Under this legislation, cooperators may designate another family member – resident or nonresident – to receive a Class AAA license (\$64) or a Nonresident Big Game Combination license (\$625) on their behalf.
14. Last hunting season, 24 nonresident cooperators received the Big Game Combination License. Our assumption is that none of these cooperators will designate another family member.
15. Last hunting season, 1,030 resident cooperators received the Class AAA Sportsman Combination License. Our best estimate is that 10% of the residents will choose to designate another family member to receive the license.
16. Half would designate a resident family member; half would designate a nonresident family member.  
( $1,030 \times 10\% = 103$ ) ( $103 \times 50\% \times \$64 = \mathbf{\$3,296}$ ) ( $103 \times 50\% \times \$625 = \mathbf{\$32,187}$ )
17. The cost of this license will be deducted from the landowner's compensation payment.

### Nonresident Cooperators May Receive Both Compensation and a Complimentary License:

18. In the 2004 hunting season, 24 nonresident cooperators received a license and no compensation.
19. There is no fiscal impact for nonresident cooperators who received compensation and no license.
20. In total, 3,155 hunter days occurred on the 24 nonresidents' enrolled Block Management lands.
21. Their compensation is calculated as follows:
- \$250 enrollment payment per landowner ( $24 \times \$250 = \$6,000$ )
  - \$10 hunter impact payment per hunter day ( $3,155 \times \$10 = \$31,550$ )
  - Additional 5% for weed payment ( $\$6,000 + \$31,550 = \$37,550$ ) ( $\$37,550 \times 5\% = \$1,877$ )
22. Additional cooperator payments of **\$39,427** may be made as a result of this legislation.
23. This part of the bill is effective on October 1, 2005. Contracts for the fall 2005 hunting season will be in place prior to October 1. The first opportunity to include this in contracts with cooperators will be during the fall 2006 hunting season (FY 2007).

### Reporting Requirements:

24. Implementation of the reporting requirement clarifications will be absorbed with existing resources.

### Private Lands/Public Wildlife (PL/PW) Recommendations:

25. The PL/PW Council recommends 2.00 FTE and increased operations be added to the hunting and fishing access programs in HB2. One warden ( $\$14,462 \times 2080 = \$30,081 + 25\% \text{ benefits} = \$37,601$ ) and one field technician ( $\$7,823 \times 2080 = \$16,272 + 25\% \text{ benefits} = \$20,340$ ) will be funded from the additional

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revenues with the balance dedicated to operations. (Note: the one field technician position will equate to several field staff hired for the hunting season.)

**FISCAL IMPACT:**

	<u>FY 2006 Difference</u>	<u>FY 2007 Difference</u>
<b>Field Services Division – Program 02</b>		
FTE	0.00	1.00
<u>Expenditures:</u>		
Personal Services	\$0	\$20,340
Operating Expenses	<u>(13,683)</u>	<u>668,291</u>
TOTAL	(\$13,683)	\$688,631
<b>Law Enforcement Division – Program 04</b>		
FTE	0.00	1.00
<u>Expenditures:</u>		
Personal Services	\$0	\$37,601
Operating Expenses	<u>\$0</u>	<u>\$20,000</u>
TOTAL	\$0	\$57,601
<b>Department of Fish, Wildlife and Parks Total</b>		
FTE	0.00	2.00
<u>Expenditures:</u>		
Personal Services	\$0	\$57,941
Operating Expenses	<u>\$0</u>	<u>688,291</u>
TOTAL	\$0	\$746,232
<u>Funding of Expenditures:</u>		
State Special Revenue (02)	(\$13,683)	\$746,232
<u>Revenues:</u>		
State Special Revenue (02)	\$0	\$746,232
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
State Special Revenue (02)	\$13,683	\$0